

artspace

[artspace.org](https://artspace.org)

# ABOUT ARTSPACE

- > Established in 1979
- > Recognized national leader in arts facility development
- > 35 completed projects in 14 states and DC
- > 2 projects under construction in NYC and Seattle
- > 13 projects in predevelopment
- > Nearly 1,200 affordable live/work units serving more than 2,000 artists and their families
- > Nearly 1 million sf of space for creative businesses, nonprofit arts organizations and entrepreneurs

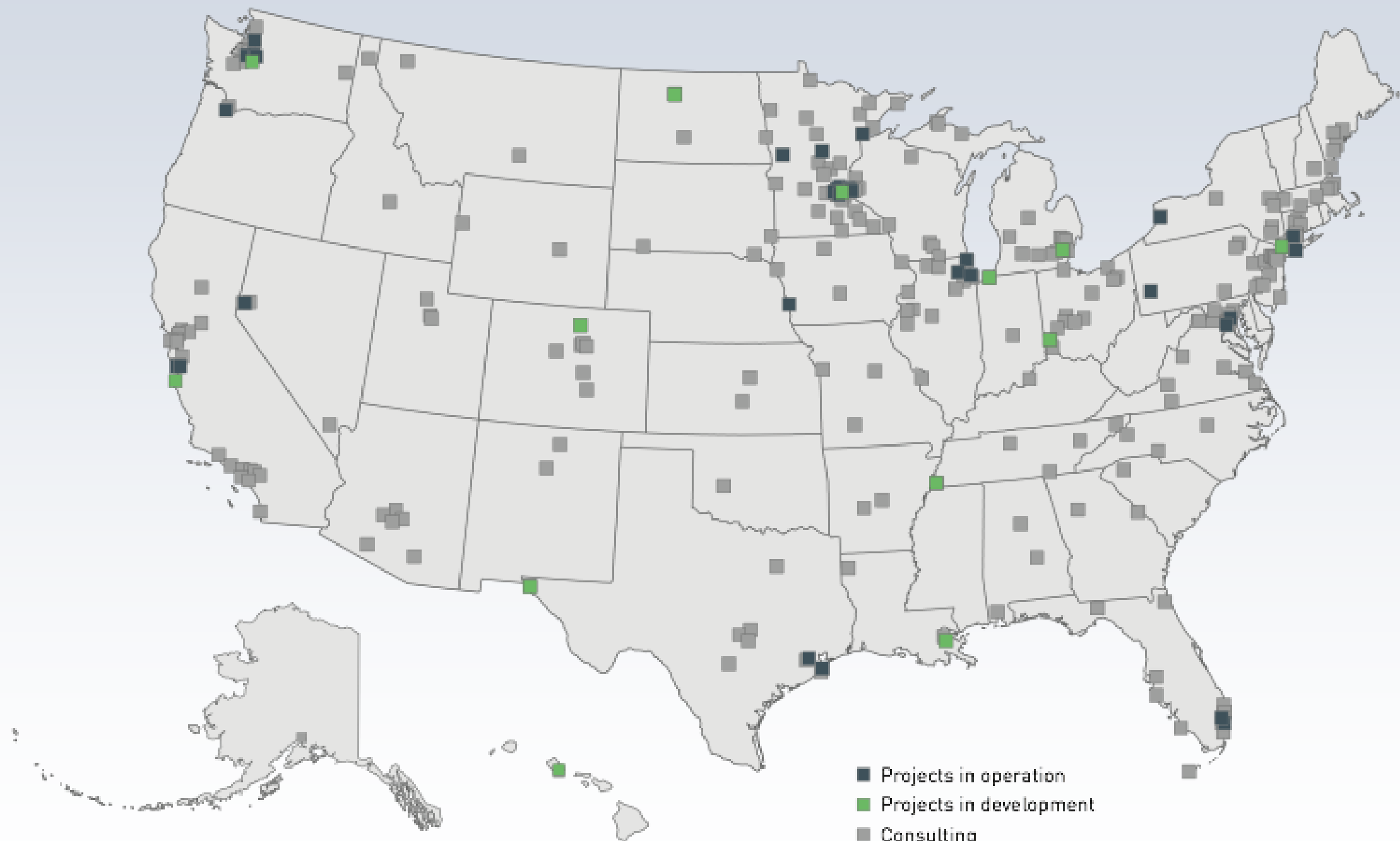
# OUR MISSION



is to create, foster,  
and preserve  
affordable space  
for artists and arts  
organizations.

Artspace Everett Lofts // Everett, Washington

# artspace // at work in the United States



# HOW ART SPACES BENEFIT COMMUNITIES

- > By animating deteriorated historic structures and/or underutilized spaces.
- > By bringing vacant and/or underutilized spaces back on the tax rolls and boost area property values.
- > By fostering the safety and livability of neighborhoods without driving gentrification-led displacement.
- > By anchoring arts districts and expanding public access to the art.
- > By attracting additional artists, arts businesses, organizations, and support non-arts businesses to the area.

# HOW ART SPACES BENEFIT ARTISTS

- > By providing space that meets residential and professional needs at affordable rates.
- > By catalyzing an “arts community” to become more than the sum of its parts through co-location.
- > By helping them be more productive.
- > By enhancing the professional reputations of individual artists, and in some cases their income generated through art activity.





# BENEFITS OF THE ARTS



Artist Space in Wichita, the Fisch Haus Collective

- > Historic Preservation
- > Community Development
- > Economic Development
- > Education and Test Scores
- > Sense of Place

# BENEFITS OF ARTS DISTRICTS



Edgar Heap of Birds "Wheel" outside Denver Art Museum

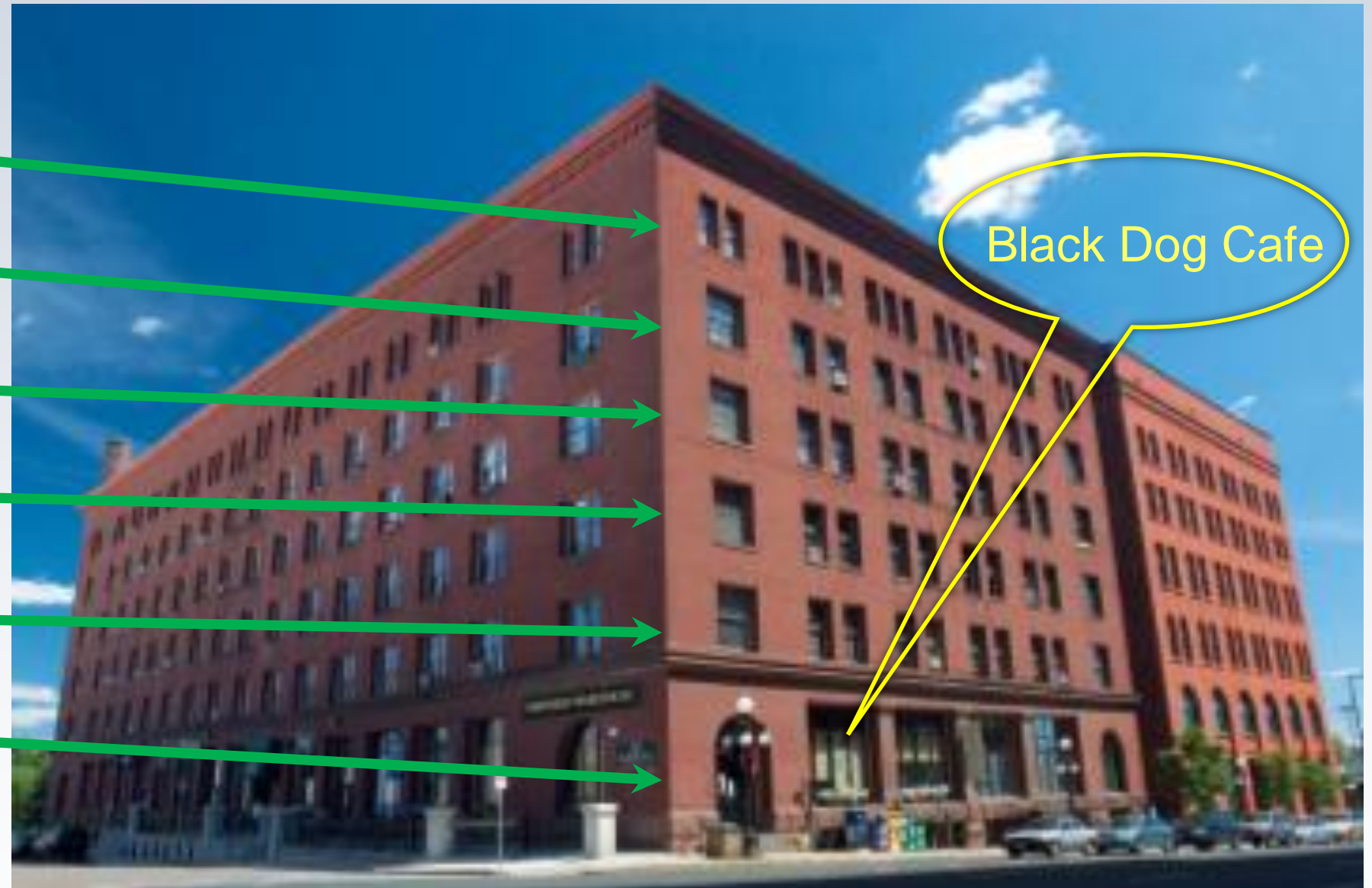
- > Promotes an area as an arts destination
- > Helps create a sense of place
- > Supports creative entrepreneurs and business owners
- > Helps revitalize economically challenged neighborhoods



# EXAMPLES OF ARTS DISTRICTS

# ANATOMY OF AN ARTS BUILDING

- 6: Live/work
- 5: Live/work
- 4: Live/work
- 3: Live/work
- 2: Arts organizations,  
creative businesses
- 1: Creative businesses



Northern Warehouse Artists' Cooperative // St. Paul,

Increased tax base and density which leads to other public benefits such as transportation and market



### Project Progress





# LOWERTOWN ARTS CRAWL



Art Crawl  
Northern Warehouse // St. Paul, Minnesota



# MINNEAPOLIS WAREHOUSE DISTRICT





# TANNERY ARTS CENTER, SANTA CRUZ, CA



Artspace Tannery Lofts // Santa Cruz, California 100 affordable live/work residences in two buildings (opened 2009)



# WYNWOOD ARTS DISTRICT, MIAMI



# WHAT THE BEST ARTS DISTRICTS HAVE IN COMMON

- **Variety of arts and creative businesses**
- **Full of surprises and interactivity**
- **Provide long-term affordability for artists**
- **Are locally relevant and unique**
- **Are organically grown**
- **Well-managed with lots of programs and activities**



# WHAT THE BEST ARTS DISTRICTS HAVE IN COMMON

- **Capitalize on the skills of artists**
- **Have a budget and management organization**
- **Strong marketing/branding/identity**
- **Have a strong anchor or two**
- **Are active and open 7 days a week**

# PROGRAMS AND INCENTIVES

- **State or local legislation that creates cultural districts**
- **Streetscape renovations**
- **Wayfinding/connectivity**
- **Festivals**

# PROGRAMS AND INCENTIVES

- **Special zoning, especially to allow live/work space in industrial areas**
- **Tax abatements on sale or art within district and for affordable space**
- **Business Improvement District**

# COMMON ARTS DISTRICT CHALLENGES

- **Keeping spaces affordable**
- **Some arts districts are in name only**
- **Zoning sometimes gets in the way**
- **Needs broad community support and buy-in**





# Artspace Report Findings

# 4 DISTINCT DISTRICTS



COMMERCE  
STREET

# ARTSPACE FINDINGS

- \* All four areas are functioning arts districts with a great deal of activity.
- \* They have very different characters, and this is a plus in that each district attracts its own artists and audience. Their combined economic power is more than the sum of their parts.
- \* A city policy that formally recognizes them as arts districts, combined with appropriate signage and a marketing plan that treats them as a multi-faceted civic asset, will further strengthen them.

# COMMERCE STREET

- \* “Arguably...the hippest single block in Wichita” -- Final Friday website
- \* Brick-paved block of former industrial buildings
- \* Tucked into corner of downtown
- \* Historic industrial district colonized by artists about 15 years ago. A bona fide arts district, albeit a small one compared to Delano and Old Town

**COMMERCE  
STREET**



# ARTSPACE FINDINGS

- \* Commerce Street offers qualities not to be found in any of the other three arts districts.
- \* It is grittier, less commercial, and less dependent on bars, restaurants, theaters, clubs, gift shops, etc.
- \* It seeks to appeal to a sophisticated art audience that is not put off by its rough edges and general air of scruffiness.

**COMMERCE  
STREET**

# THE CITY'S 3 OPTIONS

- \* OPTION 1: Do little or nothing, allowing the organic evolution of Commerce Street to continue at its own pace.
- \* OPTION 2: Adopt a policy of financial incentives to encourage the area's artists and creative businesses to relocate on or close to St. Francis Street.
- \* OPTION 3: Take a more active role by relocating non-arts businesses and working with developers to replace the warehouses with new infill structures that match the scale and industrial look of the existing brick warehouses.

# RECOMMENDATIONS

- \* For the best results, the City of Wichita should take an active rather than a passive role.
- \* The strongest approach is to combine Options 2 and 3 to provide both physical and financial opportunities for artists in the Commerce Street area.
- \* The relocation of existing warehouses can be undertaken in phases over a period of several years.
- \* The City should consider developing a Small Area Plan to establish guidelines and specific goals for the development of the Commerce Street district.

# CONCLUSION

- \* In the long run, an investment in a sustainable arts district in this neighborhood could pay very substantial benefits on the south side of Downtown Wichita.

# MAKING IT WORK

# COMMON INCENTIVES

- \* Cultural Districts -- Formally designated areas in which state or city incentives, financial or otherwise, are used to encourage cultural, social, and economic development.
- \* Tax Free Zones -- Designated areas in which specified businesses are exempt from state sales taxes.
- \* Enterprise Zones -- Districts in which a variety of tax incentives and government programs are combined to stimulate growth in depressed areas.





# THE COLORADO EXAMPLE

# CCI: THE BASICS

- \* Established in 2010 by merging Council on the Arts and Art in Public Places program.
- \* Goal is to capitalize on potential for creative sector to drive economic growth in Colorado. A division of the Colorado Office of Economic Development & International Trade
- \* Long-term vision: Colorado is a leading creative economy

# CCI: PRIORITIES

- \* Increase access to direct financial support for creatives.
- \* Create and expand professional development and networking opportunities for creatives.
- \* Promote Colorado as a premier creative hub.
- \* Increase access to arts and creativity skills in preschool through college education and workforce development.
- \* Stimulate increased support for creatives by local governments and coalitions.



# COLORADO INCENTIVES

- \* Tax credits for new jobs created, research and development, improvements to existing buildings, and job training for businesses within the enterprise zone
- \* State sales and use tax exemptions on equipment used in manufacturing or mining in the enterprise zone
- \* A 3% tax credit for investment in property used within the enterprise zone

# OTHER STATES

## \* RHODE ISLAND

- \* Business tax credit of 50% for wages paid to newly hired enterprise zone employees, provided company employment is increased by 5%; 75% credit for employees hired who live in the zone
- \* Business owners living inside the enterprise zone receive a \$50,000 deduction on personal income tax; reduced to \$25,000 in the fourth and fifth years of operation
- \* Tax credits available for interest loans to enterprise zone businesses

# OTHER STATES

## \* ALABAMA

- \* \$2,500 tax credit for each permanent employee hired in the enterprise zone
- \* Tax credit for new investments in the enterprise zone or improvements to existing facilities on 10% of the first \$10,000 invested, 5% on the next \$90,000 and 2% on remaining investment
- \* Sales and use tax exemptions on purchases of materials used in construction and improvement of buildings in the zone
- \* Exemptions from the state income and corporate franchise taxes for five years



# Next steps with Artspace

- > Invite Artspace back to conduct a Preliminary Feasibility Visit for a potential mixed-use artist housing project in Wichita
- > Align potential project with transportation, affordable housing, community development and economic development priorities
- > Look at feasibility of 50-70 units of affordable live/work housing plus 5,000 to 10,000 sf of complimentary creative business space
- > Cost is \$15,000 (with a \$2,500 subsidy from the NEA)